

Ex-Klan Leader David Duke Sentenced to 15 Months for Mail and Tax Fraud

In October 1999, prosecutors for the U.S. Attorney's Office in New Orleans, Louisiana, requested that Postal Inspectors join a task force investigating allegations that former Ku Klux Klan leader David Duke committed acts of tax evasion, money laundering, and mail fraud.

by Postal Inspector

William A. Bonney,
New Orleans Field Office,
Houston Division

David Duke was a well-known figure, not just to voters in

Louisiana, but to Americans nationwide. When he decided to run for President in 1988, Democratic party

David Duke leaves the Federal Court building in New Orleans after a court appearance. Duke pled guilty to mail fraud and making a false statement on a federal tax return.

Photo by John McCusker

politically incorrect viewpoint... communist attack on our peaceful gathering... headlined on the first page: "Duke Sparks Riot." The Tampa Tribune... who tried to intimidate the public and prevent my speech. White Americans who can't... on the wall, had better wake up! We are losing the very freedoms our country was founded to protect... I and my supporters are fighting as hard as we can. I'll take the heat and the threats and physical... danger poised by our enemies, but I direly need your tactical support. This work requires your... financial support, and I am still endeavoring to clean up the last of our campaign debts. A gift of a... \$100 or more would help a great deal. Of course, whatever you could give I appreciate very much.



REPRESENTATIVE
DAVID DUKE
Box 88 Covington, LA 70434 - 504-626-7714



November 24, 1998

I am pleased to inform you that the book that I have labored on for so many years is now in print: My Awakening, but unhappily, the lawsuit against me from the 1990 campaign is set for trial only two weeks from now. I don't see how I could be legally liable for an altercation between two of my US Senate campaign volunteers. I was not present at the time and the altercation was simply a personal dispute between the two men. The individual suing me hit his head on the ground and was hospitalized for a number of days causing six figure medical bills. One potential problem is that the case is in an area with a lot of Black political clout. My legal fees are mounting and your generous help in the this and other matters is much appreciated. It would be terrible to lose my home and publishing equipment because of this case, so I must have a good legal defense, and that's not cheap. Thanks for your help.

My Awakening is Available Now!
On a brighter note, it gives me a great deal of satisfaction that the book that you have waited so long for, is now shipped to you! In this book I thoroughly discuss confronting our heritage, and I do it in a fascinating and convincing manner.
In telling the story of millions of others to whom I have written text, the physical hardships...



REPRESENTATIVE
DAVID DUKE
Box 188 Mandeville, LA - 504-626-7714



December 10, 1998

I want to wish you and your family a meaningful and beautiful Christmas, and to express from the bottom of my heart how thankful I am for your continuing support over the years. Without your generosity and encouragement, I could not have long survived the difficulty and intensity that comes from telling the whole truth about the racial catastrophe ahead.
Through your help I was able to engage excellent legal representation in the recent lawsuit against me. Seeing the excellent defense case provided by my lawyer, the plaintiffs settled a couple of days before the trial date. The case was still costly, but was less than my legal fees would have been for a full trial, and the risk of financial ruin was ended. I still must pay the settlement and clear up my legal fees, but all-in-all I survived one more threat, thanks to you and others like you. You really make Christmas much brighter for my family and me.

My Awakening is Making Waves!

A few people from different sections of the nation have now read my autobiography (My Awakening) and they tell me that the book has meant a great deal to them and to their families. Yesterday, I heard from friend who gave it to his ideologically-opposed wife and father-in-law, for early Christmas presents. By the time they had read only half of the book, they both told him that they finally understood why he was so devoted to the survival of our White race. To his amazement, at a family dinner, they asked him how they could help the cause.
Some readers have already said that they believe the book will be the most powerful ever published for awakening of our people. I think that My Awakening is going to have a great impact on the nation. In fact, it may make a big difference all over the world. Publishers and translators are already working on it for publication in many nations where there are sizable numbers of people of European descent.
The point I am trying to convey is that this book and my continued activism would not be possible without your support. Through years of harassment, audits, lawsuits, attacks on my livelihood and on my character, you have enabled me to continue to devote my time crusading for our principles. Your steady and generous personal gifts have made it possible for me to devote myself fully to this effort. I appreciate your efforts and ask that you continue to support this vital work.
I hope you will make a determined effort necessary to research and write my book and will do a national round of talk shows in the fight for its truth, but ultimately I must depend on you to spread it, person-to-person across America. Your effort is every bit as important as the many thousands of hours I put into writing My Awakening.

In this merry time of the year I realize that it is easy to forget the important struggle that goes on for our heritage and freedom. I appreciate your continued gifts and support. Please enjoy the enclosed Christmas card.
Sincerely,
David Duke
Merry Christmas!

David Duke
PS Our checks for personal gifts should be separate from book purchases. Thanks again for your support! I think that 1999 and the turn of the millennium will herald a great awakening of our people.

leaders barred Duke from running on their ticket, so he signed with the Populist Party and hired ex-American Nazi leader Ralph Forbes as his campaign manager.

David Duke's name appeared on 15 state ballots and he received 0.5 percent of the national vote.

Duke next won a runoff in 1988 for a Louisiana House seat by only a 227-vote margin. He left that office after a single term in 1992. Running again as a Republican, Duke lost a primary for the U.S. Senate to Democratic incumbent J. Bennett Johnston. Duke still managed to get 43.5 percent of the vote. In 1991, Duke ran second to Edwin Edwards as a Republican in the Louisiana Governor's primary election. Duke lost the primary, but still won 39 percent of the vote. In 1992, Duke's short-lived Presidential bid ended with South Carolina's primary election.

Postal Inspectors in New Orleans began investigating David Duke in 1999. They started with solicitation letters he had mailed asking for cash donations from supporters. The letters claimed Duke was broke, but Inspectors found he was lying.

In the letters were a number of misrepresentations. For example, Duke claimed he had lost money as the result of his unsuccessful bids for elected offices. In another letter he said he was the subject of a lawsuit filed as the result of a fight that broke out at one of his campaign rallies, leaving him vulnerable to a "six-figure judgment." Duke allegedly was liable for yet another six-figure fine stemming from a possible state ethics violation. He told his supporters that he needed their money to spread his message: White Power! End Immigration to the United States!

Postal Inspectors knew Duke's claims of poverty were bogus. Duke had paid cash for a house and still had half a million dollars in the bank. They determined he hid the money by putting his

account under someone else's name when it was time to negotiate donors' checks.

Likewise, Duke's stories about liabilities from lawsuit judgments were less than factual. He had been dismissed from one suit and had paid a \$10,000 fine to settle the ethics violation. As for needing money to spread his message, Duke's speaking engagements were fully paid for by his sponsors.

Postal Inspectors executed a search warrant at Duke's home in Mandeville, Louisiana, on November 16, 2000. Duke wasn't there, having left for Russia several months earlier for a speaking engagement. He remained in Russia during much of the time he was under investigation.

The search of Duke's home yielded more donors' names and some previously unknown solicitation letters. The task

State and federal agents raided David Duke's Mandeville house. They took banking records, book deal records, campaign records, and a rifle.

force found Duke had mailed 26 versions of his solicitation letters between 1995 and 1999.

Inspectors also interviewed scores of Duke's supporters across the country, as well as aides who had prepared and sent his letters via the U.S. Mail. They analyzed Duke's bank accounts and credit card activity to learn how Duke had spent his admirers' money.

More subpoenas were issued to



Photo by David Grunfield, *The Times-Picayune*

financial firms, mutual funds companies, and credit card issuers associated with the man. Charting Duke's credit card expenditures proved formidable, as he maintained more than 30 active and inactive accounts. Inspectors also analyzed his financial doings to substantiate allegations of money laundering.

Postal Inspectors discovered Duke had never had a full-time job. He used donations to cover personal living expenses, although many of his supporters could hardly afford their generous contributions to his cause. Then he failed to report the donations as personal income when filing federal returns. Worse, Duke's "living expenses" included huge sums he spent gambling in Louisiana, Mississippi, Nevada, and offshore casinos.

On December 18, 2002, Duke entered a plea agreement with the U.S. Attorney's Office of the Eastern District of Louisiana. He agreed to plead guilty to a two-count Bill of Information charging him with mail fraud and tax evasion. In return, the government agreed not to bring other charges against him related to his suspect fund-raising activities involving the U.S. Mail, or his fraudulent income tax filings. In the end, Duke may have agreed to the plea to avoid harsher money laundering charges.

David Duke was sentenced on March 12, 2003, to 15 months in prison and ordered to pay a \$10,000 fine. On April 15, Duke reported to federal prison in Big Spring, Texas, to begin serving his sentence.

Chief Inspector Awards Presented to AUSAs in New Orleans for their Contributions to the Successful Prosecution of David Duke

On September 10, 2003, Chief Postal Inspector Lee R. Heath presented the Chief Inspector's Award to Assistant U.S. Attorneys Carter K.D. Guice and Jan Maselli Mann, both of the Eastern District of Louisiana, in appreciation for their exemplary work in the successful prosecution of former Louisiana State Representative David E. Duke.

AUSA Mann recognized early in the investigation that David Duke had committed mail fraud and tax evasion when he solicited thousand of dollars through the U.S. Mail from contributors who were duped into believing they were supporting his political endeavors. Ms. Mann brought the case to U.S. Postal Inspectors, and later staged negotiations with Duke that resulted in his guilty plea.

AUSA Guice

worked closely with Postal Inspectors in New Orleans and enabled them to secure a search warrant at Duke's home. Mr. Guice interviewed numerous campaign contributors, victims, and potential witnesses in the case and was instrumental in negotiating Duke's return to the United States from Russia to face the charges brought against him.

Left to right: U.S. Postal Inspector Michael A. Mackert, Acting Assistant Inspector in Charge of the New Orleans Field Office, Houston Division; Jan Maselli Mann, First Assistant U.S. Attorney of New Orleans, Eastern District of Louisiana; and Carter K.D. Guice, Assistant U.S. Attorney of New Orleans, Eastern District of Louisiana.

